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SIPDIS

DEPARTMENT FOR PM/DTCC - BLUE LANTERN COORDINATOR

SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: [KOMC](#) [ETTC](#) [GM](#)

SUBJECT: Blue Lantern Level 3: Post-Shipment End-Use Check Completed for Licenses 05-982891 and 05-984718

Ref: State 008503

Sensitive but unclassified. Please protect accordingly.

1. (SBU) Consulate Pol-Econ officer visited Roeder Praezision, located in Egelsbach (near Frankfurt) on March 1 to conduct a Blue Lantern post-shipment verification check for licenses 05-982891 and 05-984718. P-E officer met at length with General Manager Oliver Baer and Defense/Public Contracts Manager Manfred Becker, touring the facility including storage/factory areas. Roeder is a long-standing contractor for the German Airforce (Luftwaffe), importing F-4 parts for use in assembling and overhauling aircraft brakes and landing gear. In addition, the Embassy obtained a copy of the relevant purchase orders from the German Airforce. NOTE: the German Airforce is phasing out the F-4 Phantom, so these may be Roeder's final orders of this kind. END NOTE.

2. (SBU) In business since 1922, Roeder is a mid-sized stock company whose shares are closely held by the Roeder family. In addition to its work for the German Airforce, Roeder provides service and sales for small aircraft (as the largest Cessna dealer in Europe) and to commercial airliners (parts only). Roeder frequently encounters export control restrictions in its civilian aircraft business (for instance, prohibitions on re-exporting Boeing parts to Iran). Roeder also operates a German Airforce parts depot on its site ("Bundeseigenelager") but that depot is separate from Roeder's other business (and was not used for these orders).

3. (SBU) Becker confirmed that the two F-4 brake part orders had arrived and were currently in use at Roeder (for ongoing assembly/service to German Airforce aircraft). Roeder has a long-standing partnership with Yonir (the US exporter) and is familiar with U.S. export control regulations. Roeder makes end-use certifications but relies on Yonir to secure the relevant export licenses. The relevant parts are generally delivered via UPS and come into Roeder's storehouse, but later spend considerable time on the factory floor. NOTE: Roeder has a proprietary method for re-building F-4 brakes to German Airforce specifications, requiring extensive processing.

4. (SBU) P-E Officer toured Roeder's facilities and confirmed that parts are kept under generally secure circumstances: vehicle and personnel access to the compound is controlled via contract guards, and warehouse access is controlled. Roeder does not protect its F-4 brake assembly area separately from its other factory floor/overall security arrangements. Roeder officials showed ongoing construction in its security facilities (the new factory entrance had been opened a month earlier) and expressed that it is upgrading overall security.

5. (SBU) Roeder management said they would appreciate simplified access to U.S. control lists and that much of their information

comes from German's export control authority (BAFA). P-E Officer gave Roeder a copy of DTCC's model compliance program for exporters as an example of improving overall capabilities in this area.

16. This message was coordinated with Embassy Berlin.

POWELL